

## ANNUAL MEETING of the MEMBERS

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**November 12, 2015, 4:00 pm**

**The Dixie Convention Center**  
1676 S Convention Center Drive  
St. George, Utah

***Ballroom F***

### AGENDA

**Business Session:** *Bruce Adams*

- Introduction of Board and Staff
- Roll Call
- Approval of Minutes
- Nominating Committee Report
- Speeches by Nominees
- Election
- Financial Report

**CEO Report:** *Johnnie Miller*

- Budget Performance
- 2015 Highlights
- 2016 Plan

**President's Report:** *Bruce Adams*

**Election Results:** *Bret Millburn*

**Dinner:** *Rib & Chop House*

# Partners

## DIAMOND LEVEL

### **SUITTER AXLAND, PLLC** — *Jesse Trentadue*

Suitter Axland was organized in 2005. Suitter Axland practices in all state and federal courts and before various administrative bodies. The firm is actively involved in county, state and national bar groups and contributes volunteer service and financial support to many non-profit arts, religious, charitable, educational and civic organizations.

### **DURHAM, JONES, & PINEGAR** — *R. Blake Hamilton*

Durham Jones & Pinegar is a leading law firm in Utah and Nevada, offering a spectrum of services in more than 20 practice areas. These include Business & Finance, Commercial Litigation, Intellectual Property, Estate Planning, Real Estate, Bankruptcy, Employment, Family Law and more. The firm was named No.1 in Utah for its business and transactions law practice by Super Lawyers.

### **STIRBA, PC** — *Peter Stirba*

Stirba specializes in trial practice in federal court, state court, and at all administrative levels. Whether civil litigation, or complex criminal defense, Stirba has proven to obtain effective results for our clients. Stirba has developed a renowned appellate practice, arguing cases before the United States Supreme Court, United States Courts of Appeals, and various States' Appellate Courts. Stirba prides itself on attorney accessibility and responsiveness to client needs.

### **Dunn & Dunn, PC** — *Susan Black Dunn*

Dunn & Dunn, P.C. first opened its doors on January 1, 1988 and has since established a reputation as one of the premiere insurance, corporate and governmental entities defense firms in the state of Utah. In addition to an extensive understanding of insurance law, we also specialize in all aspects of employment law – including workers compensation, social security, and anti-discrimination – and provide management and employee training seminars for businesses and corporations.

## GOLD LEVEL

### **MYLAR LAW, PC** – *Frank Mylar*

Mylar Law, P.C. is owned and managed by Frank D. Mylar. It concentrates on law enforcement-related constitutional law, employment law, and business litigation. They have litigated numerous civil rights cases in state and federal court at both the trial and various appellate courts, including the United States Supreme Court. Frank is a past adjunct professor of Corrections Law at the University of Utah and is a frequent local and national lecturer and author on law enforcement issues, anti-pornography, parental rights, religious freedom, and the rights of parents to home-school their children.

## BRONZE LEVEL

### **STRONG & HANNI**—*Kristin VanOrman*

For more than a century, the law firm of Strong & Hanni has steadily built a foundation of in-depth legal knowledge coupled with vast practical experience. It has forged its reputation in the courtroom as accomplished and experienced trial attorneys. As a full service law firm, Strong & Hanni provides a wide range of business, corporate and personal legal services. We realize that your legal and business needs can best be served by taking the time to understand the unique nature of your business, personal circumstances, goals, and concerns.

### **BY THE NUMBERS ACTUARIAL CONSULTING** — *Lisa Dennison*

By the Numbers Actuarial Consulting specializes in providing independent casualty actuarial consulting services. They have built a sizable practice that includes over 140 individual self-insureds, group self-insureds, captives, insurance companies, and reinsurers. They differentiate themselves from competitors by their commitment, communication, dedication, professionalism, and value.



# Partners

## **CHRISTENSEN & JENSEN, PC** — *Bart Kunz*

Christensen & Jensen is a recognized leader in litigating and resolving legal disputes. Located in downtown Salt Lake City, the firm represents clients—both plaintiffs and defendants—in a variety of civil practice areas and in many settings, including negotiation, mediation, arbitration, trial and appeal. Attorneys at the firm have received prestigious honors from numerous organizations. Our firm is over 60 years old assuring we have a depth and breadth of experience. Attorneys focus on sophisticated legal methods and, along with staff, are committed to excellent professional service and handle matters with dignity and respect.

## **HCA ASSET MANAGEMENT** — *Mark Hessel*

HCA Asset Management is a Property Appraisal and Asset Management Consulting firm offering valuable management and appraisal services to companies and institutions throughout the United States. What sets HCA Asset Management apart from other consulting firms is their attention to detail and consistency of personnel. HCAs professional staff has decades of experience performing complex valuations and is highly trained to ensure its clients' satisfaction.

## **MOUNTAINVIEW SOFTWARE** — *Russell Lindberg*

MountainView Software is a division of Gallagher Bassett Services, Inc., which is part of the Arthur J Gallagher family of companies. MountainView Software was acquired by Gallagher Bassett in the summer of 2002. Founded in 1994, MountainView Software was built on the foundation of superior products and technical support. For over 20 years, MountainView Software has provided claims management and reporting software tools for professional claims adjusters.

## **ZIONS WEALTH ADVISORS** — *Greg Aiken*

Zions Wealth Advisors registered investment adviser, a non-bank affiliate of Zions Bank and a non-bank subsidiary of Zions Bancorporation. They work with business owners, retirees, executives, corporations, foundations and non-profit organizations in all aspects of investment management and wealth planning. They offer a full suite of products to help with your financial success. Greg is a sales and operations leader experienced in managing and leading high performing sales and operations teams. He specializes in investment management, retirement planning, and financing.

## **HUTTON LAW ASSOCIATES, PC** — *Linette Hutton*

Hutton Law Associates is dedicated to civil litigation defense, and primarily the representation of governmental entities. Linette Hutton is the president, and has worked with the Utah Counties Indemnity Pool for 18 years, back when it was still called the Utah Association of Counties or UAC. Linette is also a registered nurse, giving her a great deal of insight into the medical care and medical records of plaintiffs claiming injury. Erin Robinson is a paralegal with Hutton Law Associates and has worked with Linette and UCIP for 10 years. Both Erin and Linette are privileged to have worked with the members and partners of UAC and UCIP and look forward to a strong future together.

## **GIFTS to MEMBERS**

### **WORKERS COMPENSATION FUND** — *Blake Green*

Workers Compensation Fund has insured Utah employers since 1917. WCF is a non-profit mutual insurance company managed by a board of directors. WCF is financed entirely by premium payments from customers and investment income. WCF provides underwriting, safety, claims and legal services to more than 20,000 Utah employers.

### **THE SWAG LOUNGE AT WHITNEY ADVERTISING** — *Pam Woll*

The Swag Lounge is a division of Whitney Advertising & Design, Inc., a hands-on creative & marketing boutique for national brands and local favorites and an official ASI and PPAI distributor of promotional products since 2001. The Swag Lounge helps companies connect with their perfect swag to support and enhance their brand image by designing and delivering the perfect product to suit their needs.

## 2015 Board of Trustees



Bruce Adams, President  
San Juan County Commissioner  
Representing: At-Large  
Term Beginning: 2007  
Term Expiring: 2016



Dale Eyre  
Sevier County Attorney  
Litigation Committee Chair  
Representing: Attorneys  
Term Beginning: 2015  
Term Expiring: 2016



Bret Millburn, Vice President  
Davis County Commissioner  
Representing: Davis County  
Term Beginning: 2011  
Term Expiring: (See section 5.2a of ICA)



Kerry Gibson  
Weber County Commissioner  
Representing: Weber County  
Term Beginning: 2013  
Term Expiring: (See section 5.2a of ICA)



Karla Johnson, Secretary/Treasurer  
Kane County Clerk/Auditor  
Audit Committee Chair  
Representing: Auditors  
Term Beginning: 2006  
Appointment Expires: 2018



Victor Iverson  
Washington County Commissioner  
Representing: Washington County  
Term Beginning: 2015  
Term Expiring: (See section 5.2a of ICA)



Alma Adams  
Iron County Commissioner  
Representing: At-Large  
Term Beginning: 2013  
Term Expiring: 2017



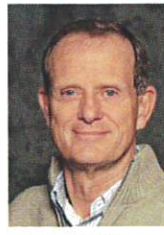
James Kaiserman  
Wasatch County Surveyor  
Representing: Fourth Class  
Term Beginning: 2015  
Term Expiring: 2018



Bill Cox  
Rich County Commissioner  
Representing: Fifth-Sixth Class  
Term Beginning: 2013  
Term Expiring: 2015



Mark Whitney  
Beaver County Commissioner  
Representing: At-Large  
Term Beginning: 2014  
Term Expiring: 2015  
(filling unexpired term)



Brad Dee  
Weber County HR Director  
Personnel Committee Chair  
Representing: Personnel Directors  
Term Beginning: 2007  
Term Expiring: 2016



Mike Wilkins  
Uintah County Clerk/Auditor  
Representing: Third Class  
Term Beginning: 2012  
Term Expiring: 2017



Robert Dekker  
Millard County Sheriff  
Law Enforcement Committee Chair  
Representing: Sheriffs  
Term Beginning: 2015  
Term Expiring: 2018

**UTAH**  
**COUNTIES**  
INDEMNITY POOL



# UTAH COUNTIES

INDEMNITY POOL

## STAFF



**Johnnie Miller**  
Chief Executive Officer  
801-307-2114



**Sonya White**  
Chief Financial Officer  
801-307-2113



**Korby Siggard**  
Claims Manager  
801-307-2116



**Lisa Brown**  
Claims Specialist  
801-307-2117



**Parker Boice**  
Asst. to the CFO  
801-307-2122



## MEMBERSHIP MEETING

### MINUTES

November 13, 2014, 5:30 p.m.

Rib & Chop House, 1676 S Convention Center Drive, St. George, Utah

#### **BOARD MEMBERS PRESENT:**

Bruce Adams, *President*, San Juan County Commissioner  
Jim Eardley, *Vice President*, Washington County Commissioner  
Karla Johnson, *Secretary/Treasurer*, Kane County Clerk/Auditor  
Alma Adams, Iron County Commissioner  
David Blackwell, Emery County Attorney  
William Cox, Rich County Commissioner

Brad Dee, Weber County Human Resources Director  
Brett Millburn, Davis County Commissioner  
Alden Orme, Juab County Sheriff  
Seth Oveson, Carbon County Clerk/Auditor  
Mark Whitney, Beaver County Commissioner  
Mike Wilkins, Uintah County Clerk/Auditor

#### **MEMBERS PRESENT:**

Jenica Baggs, Box Elder County HR Manager  
Daryl Ballantyne, Morgan County Council Member  
Rose Barnes, Carbon County Personnel Director  
Matthew Bell, Weber County Commissioner  
Rebecca Benally, San Juan County Commissioner  
Leslie Bishop, Iron County HR Director  
Leslie Bolinder, Emery County Administration  
Valeen Brown, Piute County Clerk/Auditor  
Cindy Bulloch, Iron County Assessor  
Dirk Clayson, Kane County Commissioner  
Dean Cox, Washington County Administrator  
James Ebert, Davis County Commissioner  
Jared Eldridge, Juab County Attorney  
JoAnn Evans, Duchesne County Chief Deputy Clerk  
DeRae Fillmore, Wayne County Commissioner  
Rhonda Gant, Wayne County HR Director  
Alan Gardner, Washington County Commissioner  
Scott Garrett, Iron County Attorney  
Christine Hall, Washington County Risk Coordinator  
Newell Harward, Wayne County Commissioner  
Lisa Henrie, Duchesne County Personnel Director  
Mary Huntington, Emery County Personnel Director  
Debbie Johnson, Iron County Surveyor  
Cindy Keller, Daggett County Chief Deputy Auditor/ Recorder  
Curtis Koch, Davis County Chief Deputy Audit/Finance  
Jim Matson, Kane County Commissioner  
Joe McKea, Uintah County HR Director

#### **STAFF PRESENT:**

Tom Betar, Communications Specialist  
Johnnie Miller, Chief Executive Officer  
Korby Siggard, Claims Manager  
Sonya White, Chief Financial Officer

Jeff Merrell, Uintah County Sheriff  
David Miller, Iron County Commissioner  
Camille Moore, Garfield County Clerk/Auditor  
Malcolm Nash, Sevier County Administrator  
Cameron Noel, Beaver County Sheriff  
Keri Pallesen, Daggett County Auditor/Recorder  
Karen Perry, Daggett County Commissioner  
Dale Peterson, Davis County Tax Administrator  
Ilene Roth, Sanpete County Auditor  
Mike Seely, Juab County Administrator  
Jim Smith, Davis County Commissioner  
John Stearmer, Uintah County Deputy Attorney  
Brian Stephenson, Beaver County Clerk/Auditor  
Stan Summers, Box Elder County Commissioner  
Kurt Taylor, Wayne County Sheriff  
Ryan Torgerson, Wayne County Clerk/Auditor  
Austin Turner, Morgan County Council Member  
Steve Wall, Sevier County Clerk/Auditor  
Norman Weston, Rich County Commissioner  
LeighAnn Wheeler, Sevier County HR Director  
Holin Wilbanks, Weber County PR Director  
Logan Wilde, Morgan County Council Member  
Ron Winterton, Duchesne County Commissioner  
James Withers, Millard County Commissioner  
Kirk Wood, Duchesne County Commissioner  
David Yardley, Iron County Clerk

#### **OTHERS PRESENT:**

Kay Blackwell, Former UCIP President  
Jill Brown, UAC Accountant  
Elizabeth Fukui, UBHC Director  
Debbie Goodwin, UAC Office Manager  
Bart Kunz, Christensen & Jensen, Attorney



### Welcome & Call to Order

Bruce Adams welcomed those in attendance and called the Annual Membership Meeting of the Utah Counties Indemnity Pool to order at 5:30 p.m. on November 13, 2014. The Board of Trustees and staff were introduced. Sponsors of the event were acknowledged.

### Member Roll Call

Bruce Adams explained that pursuant to Article 4.4(c) of the Bylaws, *A majority of the members shall constitute a quorum to do business* and Article 4.5(b) *Members shall have the obligation to designate...a representative...for the members' meetings*. Therefore, roll call was taken and the following members designated as representatives: Mark Whitney; Beaver County; Jenica Baggs, Box Elder County; Keri Pallesen, Daggett County; Bret Millburn, Davis County; Ronald Winterton; Duchesne County; Mary Huntington, Emery County; Camille Moore, Garfield County; David Yardley, Iron County; Mike Seely, Juab County; Karla Johnson, Kane County; James Withers; Millard County; Logan Wilde, Morgan County; Valeen Brown, Piute County; William Cox, Rich County; Bruce Adams, San Juan County; Ilene Roth, Sanpete County; Steve Wall, Sevier County; Mike Wilkins, Uintah County; James Kaiserman, Wasatch County; Jim Eardley, Washington County; Ryan Torgerson, Wayne County, and Brad Dee, Weber County.

### Approval of December 2013 Minutes

Bruce Adams explained that the draft minutes, from the December 5, 2013 Membership Meeting, were previously sent to the members for review (see attachment number one). Steve Wall made a motion to approve the December 5, 2013 Membership Meeting minutes as presented. Karla Johnson seconded the motion, which passed unanimously.

### Nominating Committee Report

Jim Eardley, as Chair of the Nominating Committee, serving with Karla Johnson and Bret Millburn, explained that members nominated eligible persons for the available Fourth Class and At-Large Trustee positions. After verifying that those nominated are willing to serve, the officials approved for representative vote are: Dale Eyre and James Kaiserman (Fourth Class) and Stan Summers, Mark Whitney and Logan Wilde (At-Large). Biographies of each nominee were previously sent to the members for review (see attachment number two).

### Trustee Candidate Speeches

Dale Eyre, James Kaiserman, Stan Summers, Mark Whitney and Logan Wilde spoke to the membership in regards to their willingness to serve on the Board of Trustees.

### Ballot Election for 2015 Board of Trustees

Jim Eardley instructed all designated member representatives to place his/her vote for one At-Large nominee. Eardley instructed each designated member representative of the Fourth Class to place his/her vote for one nominee. The ballots were gathered and tallied by Sonya White and verified by Jim Eardley.

### Financial Report

Karla Johnson reviewed the Independent Auditors', Wisan Smith Racker & Prescott's, report of UCIP's 2013 Financial Statements with the membership (see attachment number three). Johnson reviewed the tentative 2015 budget. A public hearing on the budget will be held on December 18 to approve the final 2015 budget.

### Chief Executive Officer's Report

Johnnie Miller provided the membership with a summary of the 2014 budget performance compared to the 2013 financial audit. Miller provided a preliminary review of the 2014 budget performance in anticipation of the upcoming 2014 financial audit. Miller reported on the highlights of coverage and training provided to members this year and goals for 2015.

### President's Report

Bruce Adams reported on the activities of the Board and their plan for the upcoming year. Adams discussed with Members the importance of being involved with their Interlocal Agency, the Utah Counties Indemnity Pool.

### Service Awards

Bruce Adams announced appreciation to Jim Eardley, Washington County Commissioner, in honor of his 12 years of service on the Board of Trustees and presented him with a service award. Adams announced appreciation to Alden Orme, Juab County Sheriff, in honor of his two years of service on the Board of Trustees and presented him with a service award. Adams presented a plaque to Cameron Noel, Beaver County Sheriff, in honor of his three years of service on the Board of Trustees. Adams announced appreciation to Seth Oveson, Carbon County Clerk/Auditor, in honor of his two years of service on the Board of Trustees and presented him with a service award.

### Election Results

Jim Eardley announced that he has verified the ballots and votes cast in the election for the 2015 Board of Trustees. Mark Whitney was elected to fill the unexpired term (2015) of the At-Large member representative. James Kaiserman was elected to serve a four-year term beginning January 2014, representing the Fourth Class Counties.

Prepared by:

\_\_\_\_\_  
Sonya White, UCIP Chief Financial Officer

Submitted on this \_\_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_  
Karla Johnson, Secretary/Treasurer

Approved on this \_\_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_  
Bruce Adams, President



# Election

## 2016 Board of Trustees

### NOMINEES — AT-LARGE

**DEAN DRAPER**, *Millard County Commissioner*



**CHARLENE LAMPH**, *Davis County Risk Management Specialist*



Charlene Lamph is the Risk Management Specialist for Davis County. She attended Brigham Young University and the College of Eastern Utah completing an Associate's Degree in Accounting. Ms. Lamph will complete the requirements for a Bachelor's Degree in Accounting, in 2016. Charlene spent several years as a respiratory therapist, advanced EMT and dispatcher before working for the State of Utah. In her 27 years there, she was employed as a Chief Dispatcher with the Highway Patrol and Human Resource Consultant with Administrative Services, Department of Health and finally Department of Environmental Quality. Since joining Davis County, her focus has been risk management and safety to minimize claim impact on budgets and insurance premiums. She has been able to subrogate and recover 95% of the expenses associated with "non-at-fault" damages and Worker Comp claims have been cut in half since 2007. Her motto is, "Life is short so do all you can to have a positive influence with the time you have been given." If elected to the board she will do all she can to have a positive influence on UCIP issues.

**MARK WHITNEY**, *Beaver County Commissioner*



Mark has been a successful business owner and operator for 30 years. He currently owns an insurance office and a real estate office. Mark has always played an active role in the community. He has been a proud member of the Milford Lions Club for 30 years. He has coached Little League baseball, football, and basketball for several years. Mark has served as a Milford City Councilman for two terms, a member of the Milford Planning and Zoning Board and as a Beaver Commissioner for twelve years. One of Mark's highlights of being a Commissioner is the many hours he spends at the State legislature. He is also currently serving as UAC'S Executive Second Vice President and as a member on the Executive Board of Directors for the National Association of Counties. Mark is very effective in advocating the positions of Beaver County and Utah Counties as a whole.

### NOMINEE — FIFTH-SIXTH CLASS

**WILLIAM COX**, *Rich County Commissioner*



Bill Cox has lived in Rich County, Utah the majority of his life. He graduated from South Rich High School and Utah Technical College as an Auto Body Technician. He and his wife, Cay, have raised five children on their ranch in Rich County. Bill is a mail contractor for the US Postal Service and the director of the County senior citizen program and is active in both his church and community. Bill is serving as a Rich County Commissioner where he is the Commission Chair. He has served on various committees within the Utah Association of Counties and is active in National Association of Counties. He also served in the community as Woodruff Fire District Chief, Woodruff Planning & Zoning Commission and the Woodruff City Council. Bill has been actively involved in the risk management practices of the County and supports the principles, beliefs and goals of the Pool. He would like the opportunity to continue to serve Pool Members as a Trustee.

**UTAH COUNTIES INDEMNITY POOL**  
**FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**





**UTAH COUNTIES INDEMNITY POOL**  
**FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

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## **INDEPENDENT AUDITORS' REPORT**

**To the Board of Trustees  
Utah Counties Indemnity Pool  
Murray, Utah**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Utah Counties Indemnity Pool (the Pool or UCIP) as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Pool's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Pool's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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LEHI - 2989 West Maple Loop Drive, Suite 210 - Lehi, Utah - 84043 - 801.328.2011 (office) - 801.776.1551 (fax)  
LAS VEGAS - 1820 East Warm Springs Road, Suite 112 - Las Vegas, Nevada - 89119 - 702.451.3099 (office) - 702.568.5030 (fax)

Member: American Institute Utah Association and Nevada Society of Certified Public Accountants

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Pool, as of December 31, 2014 and 2013, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 and the Contributions and Loss Development Information on page 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2015, on our consideration of the Pool's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Pool's internal control over financial reporting and compliance.

WDSRP, LLC

Salt Lake City, Utah  
June 15, 2015





**UTAH COUNTIES INDEMNITY POOL  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
Year ended December 31, 2014**

In conformity with Governmental Accounting Standards Board (GASB) Statement No. 34, the management of the Utah Counties Indemnity Pool (the Pool or UCIP) presents this Management's Discussion and Analysis for the readers of UCIP's financial statements. Our intent is to provide a narrative overview and analysis of the financial activities of UCIP for the fiscal years ended December 31, 2014 and 2013. Readers are encouraged to consider this information in conjunction with the financial statements, notes to the financial statements and required supplementary information included in the independent auditors' report.

**FINANCIAL STATEMENTS PROVIDED**

Included in the independent auditors' report are the basic financial statements required under the GASB standards including:

- Statements of Net Position – Accounts for all assets and liabilities of UCIP as of December 31, 2014 and 2013, showing the balance of net position (assets minus liabilities) as of those dates.
- Statements of Revenues, Expenses, and Changes in Net Position – Accounts for all revenue and expenses accrued for the fiscal period, with calculation of the change in net position (revenue minus expenses) for the period. Expenses are classified as Operating Expenses (primarily consisting of expected losses to be paid and the cost of excess insurance covering catastrophic losses) and Administrative Expenses (primarily consisting of staff salaries and benefits and office operations). Expenses are further categorized to provide a level of detail appropriate for general management overview and control.
- Statements of Cash Flows – Accounts for all revenues and expenses received or paid during the fiscal period with a calculation of net increase in cash and cash equivalents (revenue minus expenses) and total cash and cash equivalents at the end of the period. This statement provides a contrasting view of the revenues and expenses from the Statement of Revenues, Expenses, and Changes in Net Position as it accounts for revenues and expenses that were actually received or paid during the period, regardless of when the revenue was earned or due, or when the expense was accrued or invoiced.

**BASIS OF ACCOUNTING METHODS**

Financial statements provided in this report are reported using the Governmental Accounting Standards Board (GASB) basis of accounting. Traditional insurance companies often utilize statutory accounting methods in development of their financial statements that differ significantly from GASB accounting methods. Attempts to perform simple comparisons or benchmark analysis of a commercial carrier's financial reports and the financial reports contained here will likely yield distorted results.



**UTAH COUNTIES INDEMNITY POOL  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
Year ended December 31, 2014**

**CONDENSED FINANCIAL INFORMATION**

The following Condensed Financial Statements are meant to provide a summary view of the audited financial statements as support for comments and analysis of the financial condition of UCIP offered by management in this letter.

**Assets and Liabilities**

Current and other assets decreased \$1,664,126 at year end 2014 compared to the prior year end while investments increased \$530,116 for the same period. Capital assets decreased \$10,903 as a result of depreciation. Total assets decreased by \$1,144,913.

Total liabilities at year end 2014 increased \$157,422 over year end 2013. This increase was primarily the result of a \$472,389 increase in contributions paid in advance.

In 2014 and 2013, net position decreased by \$1,302,335 and decreased by \$2,142,872, respectively, during the fiscal years. The decrease in net position for 2014 is the result of operating expenses exceeding operating income.

The condensed statement of net assets for the years ended 2014, 2013 and 2012 are as follows:

	<u>2014</u>	<u>2013</u>	<u>Net Change</u>	<u>2012</u>
Assets:				
Current and other assets	\$ 8,626,114	\$ 10,188,864	\$ (1,562,750)	\$ 11,208,496
Capital assets	16,080	26,983	(10,903)	42,448
Investments	4,116,586	3,687,846	428,740	2,944,157
Total assets	<u>\$ 12,758,780</u>	<u>\$ 13,903,693</u>	<u>\$ (1,144,913)</u>	<u>\$ 14,195,101</u>
Liabilities:				
Current and other liabilities	\$ 1,484,774	\$ 995,849	\$ 488,925	\$ 499,039
Reserve for losses and loss adjustment	8,771,838	9,103,341	(331,503)	7,748,687
Total liabilities	<u>10,256,612</u>	<u>10,099,190</u>	<u>157,422</u>	<u>8,247,726</u>
Net position:				
Invested in capital assets	16,080	26,983	(10,903)	42,448
Unrestricted	2,486,088	3,777,520	(1,291,432)	5,904,927
Total net position	<u>2,502,168</u>	<u>3,804,503</u>	<u>(1,302,335)</u>	<u>5,947,375</u>
Total liabilities and net position	<u>\$ 12,758,780</u>	<u>\$ 13,903,693</u>	<u>\$ (1,144,913)</u>	<u>\$ 14,195,101</u>

**UTAH COUNTIES INDEMNITY POOL**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**Year ended December 31, 2014**

Operating Revenue and Expense

Revenue from contributions and management fees decreased \$494,559 for a total of \$4,590,930 in 2014. This decrease is attributed to loss of members in 2014 and 2013. While the decrease in member contribution revenue results in a decrease in operating revenue, a corresponding decrease in expenses will affect future statements over time. Operating expenses decreased \$757,235 from the prior year.

The condensed statement of operating revenue and expense for the years ended 2014, 2013 and 2012 are as follows:

	2014	2013	Net Change	2012
Operating revenue:				
Contributions and other considerations	\$ 4,590,930	\$ 5,085,489	\$ (494,559)	\$ 6,282,067
Investment income (loss)	546,910	(27,410)	574,320	412,506
Other income	14,133	18,261	(4,128)	20,943
Total operating revenues	5,151,973	5,076,340	75,633	6,715,516
Operating expenses:				
Loss and loss adjustment expenses	4,053,246	4,531,942	(478,696)	3,879,089
Reinsurance premiums	1,434,788	1,537,993	(103,205)	1,574,107
General and administrative	966,205	1,141,539	(175,334)	1,051,814
Total operating expenses	6,454,239	7,211,474	(757,235)	6,505,010
Net operating income (loss)	(1,302,266)	(2,135,134)	832,868	210,506
Unrealized gain (loss) on investments	(69)	(7,738)	7,669	4,041
Loss on disposal of fixed assets	-	-	-	(191)
Change in net position	<u>\$ (1,302,335)</u>	<u>\$ (2,142,872)</u>	<u>\$ 840,537</u>	<u>\$ 214,356</u>

Investments

As a governmental subdivision regulated by the Money Management Council, UCIP invests the majority of funds in the Public Treasurers' Investment Fund (PTIF). Utilizing this "safe harbor" for compliance with the Money Management Act also provides UCIP significant liquidity and protection of capital in its invested assets. In 2011, UCIP moved \$2,000,000 of invested funds to Zions Wealth Advisors in anticipation of increasing investment rates. While investments with Zions Wealth Advisors outperformed the PTIF by a small amount in 2014 and 2013, it is anticipated these investments will outpace the PTIF more significantly as the market strengthens.

Equity investments consist of equity ownership in County Reinsurance Limited (CRL), a property and liability reinsurance pool of county based pools across the United States. UCIP is a member of CRL.

**UTAH COUNTIES INDEMNITY POOL**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**Year ended December 31, 2014**

The condensed statement of cash and cash equivalents and investments for the years ended 2014, 2013 and 2012 are as follows:

	2014	2013	Net Change	2012
Cash and cash equivalents:				
Cash on deposit	\$ 248,109	\$ 1,696,207	\$ (1,448,098)	\$ 3,323,091
Public Treasurers' Investment Fund	6,318,420	7,733,255	(1,414,835)	6,338,084
Zions Wealth Advisors	70,376	98,838	(28,462)	932,845
Total cash and cash equivalents	6,636,905	9,528,300	(2,891,395)	10,594,020
Investments:				
Investments - U.S. government securities	2,003,901	1,953,117	50,784	1,105,752
Equity investment in County Reinsurance Limited	1,687,283	1,207,951	479,332	1,311,627
Land held for sale	526,778	526,778	-	526,778
Total investments	4,217,962	3,687,846	530,116	2,944,157
Total cash and cash equivalents and investments	<u>\$ 10,854,867</u>	<u>\$ 13,216,146</u>	<u>\$ (2,361,279)</u>	<u>\$ 13,538,177</u>

**Financial Position**

UCIP's net position at year end 2012 was \$5,947,375. This amount exceeded the target net position identified in the Net Asset Management Plan. The Net Asset Management Plan was adopted by the Board in 2012 to actively manage UCIP's net position between 90-100% of annual revenue. The plan provides that when net position exceeds 100% of annual revenue, the Board should issue dividends as experience dividends and/or equity dividends based on the UCIP Dividend Policy.

In 2013 the Board undertook a multi-faceted approach regarding the excess equity. At no cost to members, additional reinsurance was purchased to increase liability limits, to add cyber liability coverage and to improve overall coverages. Dividends in the amount of \$91,328 were returned to members. The Board utilized equity to offset the increased costs of member property appraisals. These actions by the Board, coupled with the decrease in "expected" loss and loss adjustment expenses, results in a net position of \$2,502,168 at December 31, 2014. Based on the 2015 member contributions of \$5,147,680, the surplus to premium ratio at year end 2014 was within industry standards.

The condensed statement of changes in net position for the years ended 2014, 2013 and 2012 are as follows:

	2014	2013	Net Change	2012
Revenues and expenses:				
Revenues	\$ 5,151,904	\$ 5,068,602	\$ 83,302	\$ 6,719,366
Expenses	6,454,239	7,211,474	(757,235)	6,505,010
Net income (loss)	(1,302,335)	(2,142,872)	840,537	214,356
Net position, beginning of year	3,804,503	5,947,375	(2,142,872)	5,733,019
Net position, end of year	<u>\$ 2,502,168</u>	<u>\$ 3,804,503</u>	<u>\$ (1,302,335)</u>	<u>\$ 5,947,375</u>



**UTAH COUNTIES INDEMNITY POOL  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
Year ended December 31, 2014**

**BUDGET**

**Revenue**

Actual 2014 revenues were \$477,975 more than budgeted due to investment income performance.

**Losses and Reinsurance Expenses**

Actual 2014 expenses were \$334,754 less than budgeted due primarily to a decrease in losses and loss adjustment expenses.

**Administrative Expenses**

Management closely monitored budgeted administrative expenses of \$970,977 and was able to operate with actual expenses of \$966,205. The savings on actual to budgeted expenses was achieved primarily in the area of office operations.

**MARKET TRENDS IN 2015**

Management anticipates continued competitive pressure due to protracted soft market conditions. To counteract this trend, management and the Board have worked to expand member services and strengthen its relationship with the Utah Association of Counties, which originally created UCIP.

**Property**

Changes in catastrophic loss models which significantly increased the modeled earthquake loss exposure for the entire state of Utah in 2011 were updated early in 2013 with some reduction in the modeled earthquake exposure for portions of Utah, which may provide some relief on property reinsurance premiums from that budgeted for 2015.

**Liability**

While the overall market conditions are believed to remain competitive, signs of carriers increasing liability premiums continue into 2015. Most notably is the industry's move to exclude cyber liability risk from standard general liability and errors and omissions forms without a corresponding rate reduction, while selling this coverage as a new separate policy form for significant additional premium. Eventually, the liability market will increase premiums to improve their combined ratios to attract investors. This eventual "hardening" of the market will relieve some competitive pressure, but will also create increased reinsurance costs.

Questions concerning any of the information in this report, or any other matters related to UCIP's budget and finances should be addressed to the Chief Financial Officer, Utah Counties Indemnity Pool, 5397 S Vine, Murray, UT 84107.

**UTAH COUNTIES INDEMNITY POOL**  
**STATEMENTS OF NET POSITION**  
**December 31, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 6,636,905	\$ 9,528,300
Short-term investments	101,376	-
Accounts receivable	3,190	6,796
Reinsurance recoverable	-	373,248
Members receivable	1,649,895	-
Prepaid expenses	<u>223,412</u>	<u>269,184</u>
<b>TOTAL CURRENT ASSETS</b>	<b>8,614,778</b>	<b>10,177,528</b>
<b>INVESTMENTS</b>	<b>3,589,808</b>	<b>3,161,068</b>
<b>PROPERTY AND EQUIPMENT</b>	<b>16,080</b>	<b>26,983</b>
<b>OTHER ASSETS</b>		
Land held for investment	526,778	526,778
Security deposits	<u>11,336</u>	<u>11,336</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 12,758,780</u></b>	<b><u>\$ 13,903,693</u></b>
<b>LIABILITIES AND NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Reserves for losses and loss adjustment expenses	\$ 8,771,838	\$ 9,103,341
Accounts payable	2,482	7,369
Accrued expenses	78,283	56,860
Contributions paid in advance	<u>1,404,009</u>	<u>931,620</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b><u>10,256,612</u></b>	<b><u>10,099,190</u></b>
<b>TOTAL LIABILITIES</b>	<b>10,256,612</b>	<b>10,099,190</b>
<b>NET POSITION</b>		
Net investment in capital assets	16,080	26,983
Unrestricted	<u>2,486,088</u>	<u>3,777,520</u>
<b>TOTAL NET POSITION</b>	<b><u>2,502,168</u></b>	<b><u>3,804,503</u></b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b><u>\$ 12,758,780</u></b>	<b><u>\$ 13,903,693</u></b>

*The accompanying notes are an integral part of the financial statements.*

**UTAH COUNTIES INDEMNITY POOL**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**Years ended December 31, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
OPERATING INCOME		
Contributions	\$ 4,590,930	\$ 5,085,489
Investment income (loss)	546,910	(27,410)
Other income	14,133	18,261
TOTAL OPERATING INCOME	<u>5,151,973</u>	<u>5,076,340</u>
UNDERWRITING EXPENSES		
Losses and loss adjustment expenses	4,053,246	4,531,942
Reinsurance coverage	1,434,788	1,537,993
TOTAL UNDERWRITING EXPENSES	<u>5,488,034</u>	<u>6,069,935</u>
ADMINISTRATION EXPENSES		
Trustees	47,423	47,400
Depreciation	13,477	15,464
Dividend	-	91,328
Risk management	41,978	45,090
Public relations	18,579	15,401
Office	160,214	172,854
Financial	90,466	119,919
Personnel	594,068	634,083
TOTAL ADMINISTRATION EXPENSES	<u>966,205</u>	<u>1,141,539</u>
TOTAL OPERATING EXPENSES	<u>6,454,239</u>	<u>7,211,474</u>
NET OPERATING LOSS	(1,302,266)	(2,135,134)
OTHER EXPENSES		
Unrealized loss on marketable securities	(69)	(7,738)
TOTAL OTHER EXPENSES	<u>(69)</u>	<u>(7,738)</u>
CHANGE IN NET POSITION	(1,302,335)	(2,142,872)
NET POSITION AT BEGINNING OF YEAR	<u>3,804,503</u>	<u>5,947,375</u>
NET POSITION AT END OF YEAR	<u>\$ 2,502,168</u>	<u>\$ 3,804,503</u>

*The accompanying notes are an integral part of the financial statements.*



**UTAH COUNTIES INDEMNITY POOL  
STATEMENTS OF CASH FLOWS  
Years ended December 31, 2014 and 2013**

	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Contributions collected	\$ 5,066,925	\$ 5,570,936
Other fees collected	14,133	18,261
Reinsurance paid	(3,038,911)	(1,538,159)
Losses and loss expenses paid	(4,011,501)	(3,217,919)
Cash paid to employees	(572,645)	(629,924)
Other administrative expenses paid	(363,547)	(490,078)
<b>CASH USED BY OPERATING ACTIVITIES</b>	<b>(2,905,546)</b>	<b>(286,883)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of capital assets	(2,574)	-
<b>CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(2,574)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(50,784)	(847,365)
Investment income	67,509	68,528
<b>CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES</b>	<b>16,725</b>	<b>(778,837)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,891,395)</b>	<b>(1,065,720)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>9,528,300</b>	<b>10,594,020</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 6,636,905</b>	<b>\$ 9,528,300</b>
<b>RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net position	\$ (1,302,335)	\$ (2,142,872)
Adjustments to reconcile change in net position to net cash flows used by operating activities		
Depreciation	13,477	15,464
Interest on investments	(67,578)	(76,266)
(Increase) decrease in equity in CRL	(479,332)	103,676
Unrealized loss on investments	69	7,738
Accounts receivable	3,606	(5,291)
Member receivable	(1,649,895)	-
Prepaid expenses	45,772	(165)
Reinsurance recoverable	373,248	(40,631)
Reserves for loss and loss adjustment expenses	(331,503)	1,354,654
Accounts payable	(4,887)	1,914
Accrued expenses	21,423	4,158
Contributions paid in advance	472,389	490,738
Total adjustments	(1,603,211)	1,855,989
<b>NET CASH USED BY OPERATING ACTIVITIES</b>	<b>\$ (2,905,546)</b>	<b>\$ (286,883)</b>

*The accompanying notes are an integral part of the financial statements.*

**UTAH COUNTIES INDEMNITY POOL**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Nature of Operations*

The Utah Counties Indemnity Pool (the Pool or UCIP) was incorporated in December 1991 as the Utah Association of Counties Insurance Mutual (the Mutual). In July 2003, the Mutual was renamed the Utah Counties Insurance Pool. In January 2012, the Pool was renamed the Utah Counties Indemnity Pool. The Pool is a non-profit Interlocal entity formed under Section 11-13-101 et. seq. *Utah Code Annotated, 1953* as amended, operated as a joint liability reserve fund under Section 63G-7-703 and 801 for counties who enter into the Interlocal Agreement that creates UCIP. The Pool is referred to as a "public agency insurance mutual" under the insurance statutes of the State of Utah, Section 31A-1-103(7). All of the Pool's business activities are conducted in the State of Utah.

*Accounting Principles*

These financial statements are presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The Pool has adopted Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, GASB Statement No. 37, Basic Financial Statement and Management's Discussion and Analysis for State and Local Governments: Omnibus, and GASB Statement No. 38, Certain Financial Statement Note Disclosures. The Pool has also adopted GASB Statement No. 40, Deposit and Investment Risk Disclosures and GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. With the implementation of these statements, the Pool has prepared required supplementary information titled "Management's Discussion and Analysis" which precedes the basic financial statements, has prepared a balance sheet classified between current and noncurrent assets and liabilities, has categorized net position as net investment in capital assets and unrestricted, has prepared the statements of cash flows on the direct method, and provided additional schedules to better communicate the financial status of the governmental entity.

The accounting policies of the Pool conform to accounting principles generally accepted in the United States of America in all material respects. The following is a summary of the more significant policies.

*Basis of Accounting*

The Pool reports as a single enterprise fund and uses the accrual method of accounting and the economic resources measurement focus. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred.

**UTAH COUNTIES INDEMNITY POOL**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Pool is exempt from the payment of income taxes under Section 115 of the Internal Revenue Code.

Compensated Absences

Accumulated unpaid vacation and sick pay amounts are accrued when benefits vest to employees and the unpaid liability is reflected as accrued expenses.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Pool considers all highly liquid debt instruments with maturities of three months or less when purchased to be cash equivalents. Therefore, the investments in the Utah Public Treasurers' Fund (PTIF) and cash on deposit are considered to be cash equivalents.

Investments

Investments are comprised of various U.S. Government securities, certificates of deposit and investments in County Reinsurance Limited (CRL).

Investments in U.S. Government securities as of December 31, 2014 consist of held-to-maturity securities. Held-to-maturity securities are reported at cost, adjusted for amortization of premiums and accretion of discounts that are recognized in interest income using the effective interest method over the period to maturity.

The investments in CRL are valued using the equity method of accounting. Under the equity method, the Pool recognizes its proportionate share of the net earnings or losses of CRL, which represents its share of the undistributed earnings or losses of CRL.

Land Held for Investment

The Pool purchased land in October of 2007 with the intent of building office space to house Pool employees and conduct Board meetings and training. In September 2008, the Board determined to hold the land as an investment for future sale.



**UTAH COUNTIES INDEMNITY POOL**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions Paid in Advance

Contributions paid by members prior to January 1 of the next calendar year are considered to be deferred until January 1 and are reported as contributions paid in advance in the statement of net assets.

Contributions

Contributions are collected annually on January 1.

Capital Assets

Capital assets are defined by the Pool as assets with an initial individual cost of more than \$500. Capital assets are stated at cost less accumulated depreciation. Depreciation on furniture, equipment and electronic data processing equipment is provided over the estimated useful lives of the assets on the straight-line method. Useful lives vary from three to five years. Depreciation expense for the years ended December 31, 2014 and 2013 amounted to \$13,477 and \$15,464, respectively.

Net Asset Management

To assure that the Pool's assets are adequate without holding excessive net assets, the Pool manages net asset levels between 90% and 100% of annual revenue. Net assets should be controlled within a minimum of 50% and a maximum of 120% of annual revenue. The Pool utilizes a Rate Stabilization Fund and a Dividend Plan to manage net assets.

The Rate Stabilization Fund is utilized to designate surplus to fund unexpected increases in expenses, which necessitate increases in rates short term to allow rate increases to be made incrementally, or to negate temporary rate increases. The Rate Stabilization Fund is a Board-designated portion of unrestricted net assets and, as required by GASB, is reported as a designation only in the notes to the financial statements. The balance in the Rate Stabilization Fund at December 31, 2014 and 2013 were \$200,000 and \$200,000, respectively.

The Dividend Plan is utilized by the Board to return excess net assets to members.

The Net Asset Management Plan indicates net assets should not exceed 100% of contributions unless the Pool has specific needs for such surplus, which may include the following: expectation of new membership; development of a new line of coverage; development of new or expanded coverage; or development of new or expanded services.

**UTAH COUNTIES INDEMNITY POOL**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reserves for Losses and Loss Adjustment Expenses

The reserves for losses and loss adjustment expenses include an amount actuarially determined from individual case estimates and loss reports and an amount based on past experience for losses incurred but not reported. The liabilities are based on the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors. Such liabilities are necessarily based on assumptions and estimates and while management believes that amounts are adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are reviewed quarterly and any adjustments are reflected in the period determined.

The Pool's actuary provides a range of estimates of the reserves for losses and loss adjustment expenses at three levels of confidence: low (50% confidence), expected (66% confidence) and high (80% confidence). Accounting standards require the Pool to book the "expected" level of reserves on its financial statements, and does not allow for the Board to designate or delineate any other amount in the range on the financial statements. In consideration of their duty to protect public funds and the inability of the Pool to assess members if reserves are not adequate, the Board prefers to reserve for claims with greater confidence than the 66% "expected" level. To accomplish this, while complying with audit standards, the Board has adopted, as part of their Net Asset Management Plan, a Claims Deterioration Fund, an amount voluntarily designated by the Board as Net Assets to be deducted from Total Net Assets (referred to as Unrestricted Net Position on the financial statements) when determining Net Assets available for payment of dividends to members. For 2014, the Board approved designating \$430,000 into the Claim Deterioration Fund to assure these additional funds are available if the "expected" claim reserves are ultimately found to be inadequate to pay all liabilities of the Pool. The Board believes managing Net Assets in this manner protects members from large rate increases in the event claims experience does deteriorate.

Subsequent Events

Management of the Pool has evaluated subsequent events through June 15, 2015, which is also the date the financial statements were available to be issued. No subsequent events were noted during this evaluation that require recognition or disclosure in these financial statements.

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

Listed below is a summary of the cash and investment portfolios as of December 31, 2014 and 2013. Investing is governed by the prudent man rule in accordance with statutes of the State of Utah. All investments of the Pool are considered to have been made in accordance with these governing statutes including the State Money Management Act.

**UTAH COUNTIES INDEMNITY POOL  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014 and 2013**

**NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

*Cash and Cash Equivalents*

Cash and cash equivalents of the Pool are carried at cost. The carrying amount of the cash on deposit, net of outstanding checks, is \$248,109 and \$1,696,207 as of December 31, 2014 and 2013, respectively. The corresponding bank balance of the deposits was \$259,815 and \$1,729,532 as of December 31, 2014 and 2013, respectively.

All of the Pool's cash on deposit bank accounts are noninterest-bearing. All noninterest-bearing and other depositors' accounts will be aggregated and insured up to the standard maximum deposit insurance amount of \$250,000 for each deposit insurance ownership category.

The Public Treasurers' Investment Fund (PTIF) is a pooled investment fund enabling public agencies to benefit from the higher yields offered on large denomination securities. The PTIF is similar in nature to a money market fund but the PTIF is subject to oversight by the State Money Management Council and all investments in PTIF are considered to be in compliance with the State Money Management Act. The PTIF invests in corporate debt, U.S. Agency notes, certificates of deposit and commercial paper. The maximum final maturity of any security invested in by the PTIF is limited to five years.

The maximum weighted average life of the portfolio is limited to 90 days. There is no maturity date on an entity's investment in the PTIF. PTIF deposits are not insured or otherwise guaranteed by the State of Utah.

Zions Wealth Advisors, DBA Zions Capital Advisors, is an investment advisory firm certified by the State Money Management Council and all investments with Zions Wealth Advisors are in compliance with the State Money Management Act. The maximum final maturity of any security invested in by Zions Wealth Advisors is limited to three years. Zions Wealth Advisors investments are not insured or otherwise guaranteed.

*Custodial Credit Risk*

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Pool's bank balances exceeded FDIC coverage by \$9,815 and \$1,479,532 as of December 31, 2014 and 2013, respectively.

**UTAH COUNTIES INDEMNITY POOL**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

*Custodial Credit Risk (continued)*

As of December 31, 2014 and 2013, the Pool's cash and cash equivalents and investments included the following:

	2014	2013
Cash on deposit	\$ 248,109	\$ 1,696,207
Public Treasurers' Investment Fund	6,318,420	7,733,255
Zions Wealth Advisors	70,376	98,838
Total cash and cash equivalents	6,636,905	9,528,300
Investments - debt securities	2,003,901	1,953,117
Equity investment in County Reinsurance Limited	1,687,283	1,207,951
Land held for sale	526,778	526,778
Total investments	4,217,962	3,687,846
Total cash and cash equivalents and investments	\$ 10,854,867	\$ 13,216,146

Investments

The Pool records its investments in U.S. Government Securities at market value. The Pool records investments with County Reinsurance Limited (CRL) using the equity method of accounting. Investments in CRL are confirmed annually.

All other investments are through the Public Treasurers' Investment Fund (PTIF). The differences between book value and fair value as of December 31, 2014 and 2013 are as follows:

<u>2014</u>	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Statement Value
Securities	\$ 2,003,970	\$ 16,398	\$ (16,467)	\$ 2,003,901	\$ 2,003,901
Equity	1,207,951	479,332	-	1,687,283	1,687,283
Land	526,778	-	-	526,778	526,778
Total investments	\$ 3,738,699	\$ 495,730	\$ (16,467)	\$ 4,217,962	\$ 4,217,962
<u>2013</u>	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Statement Value
Securities	\$ 1,960,855	\$ 17,775	\$ (25,513)	\$ 1,953,117	\$ 1,953,117
Equity	1,311,627	-	(103,676)	1,207,951	1,207,951
Land	526,778	-	-	526,778	526,778
Total investments	\$ 3,799,260	\$ 17,775	\$ (129,189)	\$ 3,687,846	\$ 3,687,846



**UTAH COUNTIES INDEMNITY POOL**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

**NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Pool's policy for managing interest rate risk is to comply with the State Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity of commercial paper to 270 days or less and fixed rate negotiable deposits and corporate obligations to 365 days or less. The Pool manages its exposure to declines in fair value by investing in the Public Treasurer's Investment Fund (PTIF) and other securities and by adhering to the Act. Following are the Pool's investments at December 31, 2014:

<u>Investment Type</u>	<u>Carrying Amount and Fair Value</u>	<u>Investment Maturities (in years)</u>	
		<u>Less than 1</u>	<u>1-5</u>
Debt securities:			
Corporate bonds	\$ 251,761	\$ 101,376	\$ 150,385
Mortgage backed securities	1,752,140	-	1,752,140
Total debt securities	2,003,901	<u>\$ 101,376</u>	<u>\$ 1,902,525</u>
Other investments:			
CRL equity	1,687,283		
Land	526,778		
Total Other Investments	2,214,061		
Total investments	<u>\$ 4,217,962</u>		

*Credit Risk*

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The Pool's policy for limiting the credit risk of investments is to comply with the State Money Management Act.

Investments are categorized into these three categories of credit risk:

- Category One - Insured or registered, or securities held by the Pool or its agent in the Pool's name.
- Category Two - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Pool's name.
- Category Three - Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, not in the Pool's name.

**UTAH COUNTIES INDEMNITY POOL**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

**NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

*Credit Risk (continued)*

As of December 31, 2014 and 2013, investments in debt securities in the amount of \$2,003,901 and \$1,953,117, respectively, are considered to be Category three securities. As of December 31, 2014 and 2013, Public Treasurers' Investment Fund (PTIF) investments, equity investments in County Reinsurance Limited (CRL) and land held for sale in the total amount of \$8,532,481 and \$9,467,984, respectively, are uncategorized investments.

**NOTE 3 - INVESTMENT INCOME**

Investment income is comprised of the following as of December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
<b>Investment income:</b>		
Bonds	\$ 22,391	\$ 21,095
Equity	479,332	(103,676)
Cash	45,187	55,171
Total investment income	<u>\$ 546,910</u>	<u>\$ (27,410)</u>
<b>Cash received:</b>		
Cash	\$ 45,187	\$ 55,171
Total cash received	45,187	55,171
<b>Noncash adjustments:</b>		
Equity	479,332	(103,676)
Bonds	(69)	(7,738)
Change in accrued interest	22,936	35,693
Amortization	(476)	(6,860)
Total noncash adjustments	<u>501,723</u>	<u>(82,581)</u>
Total investment income	<u>\$ 546,910</u>	<u>\$ (27,410)</u>

**NOTE 4 - INTEREST RATES**

The interest rates for assets held with the Utah Public Treasurers' Investment Fund (PTIF) were 0.5078 percent and 0.6813 percent as of December 31, 2014 and 2013, respectively.

**UTAH COUNTIES INDEMNITY POOL**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

**NOTE 5 - CAPITAL ASSETS**

The capital assets and related accumulated depreciation of the Pool are as follows:

<u>2014</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated:				
Office furniture and equipment	\$ 167,190	\$ 2,574	\$ -	\$ 169,764
Total capital assets, being depreciated	167,190	2,574	-	169,764
Less accumulated depreciation for:				
Office furniture and equipment	(140,207)	(13,477)	-	(153,684)
Total accumulated depreciation	(140,207)	(13,477)	-	(153,684)
Total capital assets being depreciated, net	26,983	(10,903)	-	16,080
Total capital assets, net	<u>\$ 26,983</u>	<u>\$ (10,903)</u>	<u>\$ -</u>	<u>\$ 16,080</u>
<u>2013</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets: being depreciated				
Office furniture and equipment	\$ 167,190	\$ -	\$ -	\$ 167,190
Total capital assets	167,190	-	-	167,190
Less accumulated depreciation for:				
Office furniture and equipment	(124,742)	(15,464)	-	(140,207)
Total accumulated depreciation	(124,742)	(15,464)	-	(140,207)
Total capital assets being depreciated, net	42,448	(15,464)	-	26,983
Total capital assets, net	<u>\$ 42,448</u>	<u>\$ (15,464)</u>	<u>\$ -</u>	<u>\$ 26,983</u>

**NOTE 6 - REINSURANCE**

Effective 2003, the Pool has purchased only specific excess coverage. The agreement provides for liability insurance in excess of a \$250,000 self-insured retention and property and crime insurance in excess of a \$250,000 self-insured retention.

Estimated claims loss liabilities of the Pool are stated net of estimated losses applicable to reinsurance coverage ceded to other insurance companies of \$1,737,281 and \$1,021,156 as of December 31, 2014 and 2013, respectively. However, the Pool is contingently liable for those amounts in the event such companies are unable to pay their portion of the claims.

Reinsurance Recoverables on Aggregate Losses

The Pool has reinsurance recoverables on aggregate policies (1992-2002) in the amount of \$0 and \$373,248 from its reinsurers for accrued losses as of December 31, 2014 and 2013, respectively.

**UTAH COUNTIES INDEMNITY POOL**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

NOTE 6 - REINSURANCE (CONTINUED)

*Unsecured Reinsurance Recoverables*

There are no letters of credit, trust agreements or funds withheld on reinsurance recoverables. The amounts of \$1,662,216 and \$907,021 as of December 31, 2014 and 2013, respectively, exceed three percent of the Pool's surplus and are considered unsecured recoverables on known claims.

*Reinsurance Recoverable in Dispute*

As of December 31, 2014, the Pool does not have any disputed balances or uncollectible funds.

NOTE 7 - RETIREMENT PLANS

*Cost-Sharing Defined Benefits Pension Plan*

**Plan Description.** The Pool contributes to the Local Governmental Public Employees' Noncontributory Retirement System (Noncontributory System), which is a cost-sharing multiple-employer defined benefit pension plan administered by the Utah Retirement Systems (URS). The URS provide refunds, retirement benefits, annual cost of living adjustment, and death benefits to plan members and beneficiaries in accordance with Title 49 of Utah Code Annotated 1953 as amended.

The Noncontributory System is established and governed by Chapter 13, Title 49 of Utah Code Annotated 1953 as amended. Utah Code Ann. §49-11-202, as amended, provides for the administration of the URS and any System under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The URS issues a publicly available financial report that includes financial statements and required supplementary information for the Noncontributory System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 E. 200 S., Salt Lake City, UT 84102 or by calling 1-800-365-8772.

**Funding Policy.** The Pool is required to contribute 18.47 percent of covered salary to the Noncontributory System for Tier 1 employees. The Pool is required to contribute 14.94 percent of covered salary to the Noncontributory System for Tier 2 employees. The contribution rates are determined by URS using actuarial analysis.

The contribution requirements of the Noncontributory System are authorized pursuant to Utah Code Ann. §49-13-301, as amended, and specified by the Utah State Retirement Board. The Pool's contribution to the Noncontributory System for the years ending December 31, 2014, 2013 and 2012 was \$66,494, \$68,276 and \$63,346, respectively. The contributions were equal to the required contributions for each year. The Pool has no further liability once contributions are made.



**UTAH COUNTIES INDEMNITY POOL  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014 and 2013**

**NOTE 7 - RETIREMENT PLANS (CONTINUED)**

*Defined Contribution 401(k) Plan*

The Pool is required to contribute 1.78 percent of covered salary to the Noncontributory System Tier 2 Fund 401(k) plan (administered by the Utah State Retirement Systems). The total Tier 2 Fund retirement expense for the Pool for the years ending December 31, 2014, 2013 and 2012 was \$345, \$1,410 and \$0.

*Employer Participating Retirement Plans*

The Pool contributes an amount equal to the amount contributed by the employee into a 401(k) plan (administered by the Utah State Retirement Systems) and/or a 457 plan (administered by Nationwide Retirement Solutions), not to exceed five percent of the employee's eligible payroll. The total retirement expense for the Pool as of December 31, 2014, 2013 and 2012 was \$14,722, \$7,496 and \$11,549, respectively.

**NOTE 8 - UNPAID CLAIMS, LOSSES AND LOSS ADJUSTMENT EXPENSES**

Reserves for incurred losses and loss adjustment expenses attributable to covered events of prior years has decreased by \$331,503 in 2014 and increased by \$1,354,654 in 2013 as a result of reestimation of unpaid losses and loss adjustment expenses. This change is the result of ongoing analysis of recent loss development trends. Original estimates change as additional information becomes known regarding individual claims.

The unpaid claims, losses and loss adjustment expenses of the Pool as of December 31, 2014 and 2013 are:

	<u>2014</u>	<u>2013</u>
Beginning balance	\$ 9,103,341	\$ 7,748,687
Incurred loss:		
Current year	3,666,324	3,151,548
Prior year	<u>(1,996,325)</u>	<u>(1,057,825)</u>
Change in total incurred	1,669,999	2,093,723
Paid:		
Current year	1,344,098	586,016
Prior year	657,404	153,053
Total paid	<u>2,001,502</u>	<u>739,069</u>
Balance at December 31	<u><u>\$ 8,771,838</u></u>	<u><u>\$ 9,103,341</u></u>

**UTAH COUNTIES INDEMNITY POOL**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

**NOTE 9 - OPERATING LEASE COMMITMENT**

On September 4, 2008, the Pool entered into a seven year commitment to lease office space. The lease commenced in February 2009 at which time the Pool occupied the premises. The Pool paid \$121,944 and \$127,956 in rent for the years ended December 31, 2014 and 2013, respectively.

Future minimum rental commitments for the building operating lease are as follows:

2015	\$	125,908
2016		<u>21,614</u>
Total minimum lease payments	\$	<u><u>147,522</u></u>

**NOTE 10 - CONTINGENCIES**

The Pool is subject to litigation from the settlement of claims contested in the normal course of business. The losses from the actual settlement of such unknown claims are taken into consideration in the computation of the estimated unpaid loss and loss adjustment expense liabilities.

## **REQUIRED SUPPLEMENTARY INFORMATION**

# UTAH COUNTIES INDEMNITY POOL

## Contribution and Loss Development Information (Unaudited)

The following table compares the Pool's earned revenues, net of reinsurance and investment income, to related costs of losses and loss adjustment expenses, net of reinsurance, assumed by the Pool. The table is defined as follows: (1) shows each year's net earned contributions, other operating revenues and interest income, (2) shows each year's other operating expenses including overhead and loss adjustment expenses not allocable to specific claims, (3) shows incurred losses and allocated loss adjustment expenses (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred, (4) shows the cumulative amounts paid as of the end of successive years for each accident year, (5) shows how each coverage year's incurred losses increased or decreased as of the end of the successive years; this annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, and emergence of new claims, (6) compares the latest reestimated incurred loss amounts to the amounts originally established. Pool information is only available in the format shown below for the years presented.

(in thousands)	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
(1) Earned contributions, other operating revenues and investment revenues, net of reinsurance	5,073	9,542	12,433	16,116	6,952	4,662	5,064	5,141	3,538	3,717
(2) Unallocated expense	-	-	-	-	-	-	-	-	-	-
(3) Estimated incurred claims, both paid and accrued, end of accident year	2,526	2,408	2,585	3,180	3,059	3,714	3,080	3,837	3,907	3,666
(4) Paid (cumulative) as of:										
End of accident year	1,383	1,050	1,332	1,302	1,126	584	995	347	586	1,344
One year later	2,361	2,289	2,296	2,076	1,246	932	1,542	1,538	1,377	-
Two years later	2,832	2,672	3,103	1,640	1,781	1,601	1,719	2,310	-	-
Three years later	3,276	3,324	2,202	2,249	2,142	2,500	2,153	-	-	-
Four years later	3,427	2,392	2,273	2,666	2,465	2,958	-	-	-	-
Five years later	2,368	2,298	2,366	2,908	2,654	-	-	-	-	-
Six years later	2,526	2,396	2,478	3,045	-	-	-	-	-	-
Seven years later	2,526	2,409	2,506	-	-	-	-	-	-	-
Eight years later	2,526	2,407	-	-	-	-	-	-	-	-
Nine years later	2,526	-	-	-	-	-	-	-	-	-
(5) Reestimated incurred losses and expenses:										
End of accident year	2,526	2,408	2,585	3,180	3,059	3,714	3,080	3,837	3,907	3,666
One year later	2,526	2,445	2,620	3,143	3,164	3,612	3,193	4,246	3,152	-
Two years later	2,526	2,497	2,544	3,142	2,789	3,113	3,472	3,619	-	-
Three years later	2,526	2,484	2,524	2,771	2,902	3,188	3,129	-	-	-
Four years later	2,737	2,696	2,751	2,704	2,748	2,876	-	-	-	-
Five years later	2,756	2,553	2,978	2,631	2,887	-	-	-	-	-
Six years later	2,792	2,181	3,216	2,772	-	-	-	-	-	-
Seven years later	2,878	1,983	2,810	-	-	-	-	-	-	-
Eight years later	2,875	2,345	-	-	-	-	-	-	-	-
Nine years later	2,824	-	-	-	-	-	-	-	-	-
(6) Increase (decrease) in estimated incurred losses and expenses from end of accident year	298	(63)	225	(408)	(172)	(838)	49	(218)	(755)	-



## **SUPPLEMENTARY AUDITORS' REPORTS**



WSRP, LLC

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

**To the Board of Trustees  
Utah Counties Indemnity Pool**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Utah Counties Indemnity Pool (the Pool or UCIP), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Pool's basic financial statements, and have issued our report thereon dated June 15, 2015.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Pool's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, we do not express an opinion on the effectiveness of the Pool's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Pool's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Member: American Institute, Utah Association and Nevada Society of Certified Public Accountants

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Pool's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Pool's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Pool's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

WSRP, LLC

Salt Lake City, Utah  
June 15, 2015





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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH GENERAL STATE  
COMPLIANCE REQUIREMENTS AND INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH THE *STATE COMPLIANCE AUDIT GUIDE***

**To the Board of Trustees  
Utah Counties Indemnity Pool**

***Report on Compliance with General State Compliance Requirements***

We have audited the Utah Counties Indemnity Pool's (the Pool or UCIP) compliance with the applicable general state program compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, that could have direct and material effect on the Pool for the year ended December 31, 2014.

General state compliance requirements were tested for the year ended December 31, 2014 in the following areas:

- Budgetary Compliance
- Fund Balance
- Utah Retirement Systems Compliance
- Interlocal Agreement Entities
- Government Records Access Management Act
- Nepotism

The Pool did not receive any major assistance programs from the State of Utah during the year ended December 31, 2014.

***Management's Responsibility***

Management is responsible for compliance with the general state requirements referred to above.

***Auditors' Responsibility***

Our responsibility is to express an opinion on the Pool's compliance based on our audit of the compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the Pool occurred. An audit includes examining, on a test basis, evidence about the Pool's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance with general state compliance requirements. However, our audit does not provide a legal determination of the Pool's compliance.

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### ***Opinion on General State Compliance Requirements***

In our opinion, Utah Counties Indemnity Pool, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Pool for the year ended December 31, 2014.

### ***Report on Internal Control over Compliance***

Management of the Pool is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Pool's internal control over compliance with compliance requirements that could have direct and material effect on the Pool to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with general state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Pool's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a general state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a general state compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a general state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention to those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

W&RP, LLC

Salt Lake City, Utah  
June 15, 2015







# UTAH COUNTIES

INDEMNITY POOL

## MEMBERSHIP MEETING MINUTES

November 12, 2015, 4:00 p.m.  
Dixie Convention Center, 1676 S Convention Center Drive, St. George, Utah

### **BOARD MEMBERS PRESENT:**

Bruce Adams, *President*, San Juan County Commissioner  
Bret Millburn, *Vice President*, Davis County Commissioner  
Karla Johnson, *Secretary/Treasurer*, Kane County Clerk/Auditor  
Alma Adams, Iron County Commissioner  
William Cox, Rich County Commissioner  
Robert Dekker, Millard County Sheriff  
Jim Kaiserman, Wasatch County Surveyor

Kerry Gibson, Weber County Commissioner  
Brad Dee, Weber County Human Resources Director  
Mark Whitney, Beaver County Commissioner  
Mike Wilkins, Uintah County Clerk/Auditor  
Dale Eyre, Sevier County Attorney  
Victor Iverson, Washington County Commissioner

### **MEMBERS PRESENT:**

Jenica Baggs, Box Elder County HR Manager  
Daryl Ballantyne, Morgan County Council Member  
Rebecca Benally, San Juan County Commissioner  
Kenneth Bench, Sanpete County Assessor  
Rodney Bennett, Box Elder County Assessor  
Walter Bird, San Juan County Deputy Attorney  
Leslie Bishop, Iron County HR Director  
Dennis Blackburn, Wayne County Commissioner  
Dale Brinkerhoff, Iron County Commissioner  
Ken Burdick, Duchesne County Commissioner  
David Carpenter, San Juan County Recorder  
Mike Dalton, Beaver County Commissioner  
Dean Draper, Millard County Commissioner  
James Ebert, Davis County Commissioner  
Jared Eldridge, Juab County Attorney  
JoAnn Evans, Duchesne County Clerk/Auditor  
Steve Frischknecht, Sanpete County Commissioner  
Jeff Hadfield, Box Elder County Commissioner  
Mary Huntington, Emery County Personnel Director  
Claudia Jarrett, Sanpete County Commissioner  
Connie Jensen, Emery County Recorder  
Curtis Koch, Davis County Chief Deputy Audit/Finance  
Dell LeFevre, Garfield County Commissioner  
Linda Little, Kane County Assessor  
Jack Lytle, Daggett County Commissioner  
Ryan Maddux, Kane County Chief Deputy Assessor  
Ginger McMullin, Beaver County Clerk/Auditor

Camille Moore, Garfield County Clerk/Auditor  
John David Nielson, San Juan County Clerk/Auditor  
Garth Ogden, Sevier County Commissioner  
Keri Pallesen, Daggett County Auditor/Recorder  
Kelly Pehrson, San Juan County Chief Admin. Officer  
Cindy Peterson, Beaver County Recorder  
John Petroff Jr., Davis County Commissioner  
Mark Raymond, Uintah County Commissioner  
Zachary Renstrom, Washington County Commissioner  
Ilene Roth, Sanpete County Auditor  
Jeff Scott, Box Elder County Commissioner  
Mike Seely, Juab County Administrator  
Jim Smith, Davis County Commissioner  
Stan Summers, Box Elder County Commissioner  
Will Talbot, Piute County Commissioner  
Greg Todd, Duchesne County Commissioner  
Gordon Topham, Sevier County Commissioner  
Ryan Torgerson, Wayne County Clerk/Auditor  
Steve Wall, Sevier County Clerk/Auditor  
Norman Weston, Rich County Commissioner  
Tom Weston, Rich County Commissioner  
Logan Wilde, Morgan County Council Member  
Ron Winterton, Duchesne County Commissioner  
James Withers, Millard County Commissioner  
Stanley Wood, Wayne County Commissioner  
Byron Woodland, Juab County Commissioner  
Melissa Yergensen, Duchesne County HR Director

### **STAFF PRESENT:**

Parker Boice, Assistant to the CFO  
Lisa Brown, Claims Specialist  
Johnnie Miller, Chief Executive Officer  
Korby Siggard, Claims Manager  
Sonya White, Chief Financial Officer

### **OTHERS PRESENT:**

Blake Green, Workers Compensation Fund  
Bart Kunz, Christensen & Jensen, Attorney

### **Welcome & Call to Order**

Bruce Adams welcomed those in attendance and called the Annual Membership Meeting of the Utah Counties Indemnity Pool to order at 4:00 p.m. on November 12, 2015. The Board of Trustees and staff were introduced. Sponsors of the event were acknowledged.

### **Member Roll Call**

Bruce Adams explained that pursuant to Article 4.4(c) of the Bylaws, *A majority of the members shall constitute a quorum to do business* and Article 4.5(b) *Members shall have the obligation to designate...a representative...for the members' meetings*. Therefore, roll call was taken and the following members designated as representatives: Ginger McMullin, Beaver County; Jenica Baggs, Box Elder County; Keri Pallesen, Daggett County; Bret Millburn, Davis County; Ronald Winterton, Duchesne County; Mary Huntington, Emery County; Camille Moore, Garfield County; Leslie Bishop, Iron County; Karla Johnson, Kane County; James Withers, Millard County; Logan Wilde, Morgan County; William Talbot, Piute County; William Cox, Rich County; Bruce Adams, San Juan County; Ilene Roth, Sanpete County; Steve Wall, Sevier County; Mike Wilkins, Uintah County; James Kaiserman, Wasatch County; Victor Iverson, Washington County; Ryan Torgerson, Wayne County, and Kerry Gibson, Weber County.

### **Approval of December 2014 Minutes**

Bruce Adams explained that the draft minutes, from the November 13, 2014 Membership Meeting, were previously sent to the members for review (see attachment number one). The following changes were made: Jim Kaiserman and Kerry Gibson were added to those in attendance and Jim Ebert's county was changed from Davis to Weber. Steve Wall made a motion to approve the November 13, 2014 Membership Meeting minutes with the necessary corrections. Camille Moore seconded the motion, which passed unanimously.

### **Nominating Committee Report**

Bret Millburn, as Chair of the Nominating Committee, serving with Alma Adams, Karla Johnson, Mike Wilkins, and Mark Whitney, explained that eligible persons were nominated for the available Fifth-Sixth Class and At-Large Trustee positions. After verifying the nominations, those officials placed on the ballot are: William Cox (Fifth-Sixth Class) and Dean Draper, Mark Whitney, and Charlene Lamph (At-Large). Biographies of each nominee were previously sent to the members for review (see attachment number two).

### **Trustee Candidate Speeches**

William Cox, Dean Draper and Mark Whitney spoke to the membership in regards to their willingness to serve on the Board of Trustees. Charlene Lamph was unable to attend.

### **Ballot Election for 2016 Board of Trustees**

Bret Millburn instructed all designated member representatives to place his/her vote for one At-Large nominee. Bret Millburn instructed each designated member representative of the Fifth-Sixth Class to place his/her vote for one Fifth-Sixth Class and one At-Large nominee. The ballots were gathered and tallied by Sonya White and verified by Bret Millburn.

### **Financial Report**

Sonya White, UCIP Chief Financial Officer, reviewed the Independent Auditors' (WSRP) report of UCIP's 2014 Financial Statements with the membership (see attachment number three). Karla Johnson reviewed the tentative 2016 budget with the membership (see attachment number four). A public hearing will be held on December 17 to approve the final 2016 budget.

### **Chief Executive Officer's Report**

Johnnie Miller, UCIP Chief Executive Officer, provided the membership with a summary of the 2015 budget performance compared to the 2014 financial audit. Johnnie Miller provided a preliminary review of the 2015 budget performance in anticipation of the upcoming 2015 financial audit. Johnnie Miller reported on the highlights of coverage and training provided to members along with the goals for 2016.



### President's Report

Bruce Adams reported on the activities of the Board and their plan for the upcoming year. Bruce Adams discussed with Members the importance of being involved with their Interlocal Agency, the Utah Counties Indemnity Pool. Kerry Gibson spoke to the importance of the Utah Association of Counties and the Utah Counties Indemnity Pool working together in all aspects. Both are county owned organizations. Kerry Gibson opined that all counties should be members of their Association and Interlocal.


### Election Results

Bret Millburn announced that he had verified the ballots and votes cast in the election for the 2016 Board of Trustees. Mark Whitney was re-elected as the At-Large member representative. William Cox was re-elected to represent the Fifth-Sixth Class Counties. Each will serve a four-year term beginning January 2016.

Prepared by:

  
Sonya White, UCIP Chief Financial Officer

Submitted on this 17 day of November, 2016

  
Karla Johnson, Secretary/Treasurer

Approved on this 17 day of November, 2016

  
Bret Millburn, Vice-President



# ANNUAL MEMBERSHIP MEETING

November 12, 2015

Dixie Convention Center, St. George, Utah

NAME	COUNTY/TITLE	ATTENDED?	# OF TICKETS
Adams, Alma	Iron County Commissioner	<input checked="" type="checkbox"/>	2
Adams, Bruce	San Juan County Commissioner	<input checked="" type="checkbox"/>	2
Ames, Debbie	Rich County Recorder	<input type="checkbox"/>	1
Anderson, Katie	Daggett County Deputy Recorder	<input type="checkbox"/>	1
Argyle, LouJean	Rich County Treasurer	<input type="checkbox"/>	1
Baggs, Jenica	Box Elder County HR Director	<input checked="" type="checkbox"/>	1
Ballantyne, Daryl	Morgan County Council Member	<input checked="" type="checkbox"/>	2
Bangerter, Kipp	Wasatch County Council Member	<input type="checkbox"/>	1
Bench, Kenneth	Sanpete County Assessor	<input checked="" type="checkbox"/>	2
Bennett, Rodney	Box Elder County Assessor	<input checked="" type="checkbox"/>	2
Bishop, Leslie	Iron County HR Director	<input checked="" type="checkbox"/>	2
Boice, Parker	UCIP Asst. to the CFO	<input checked="" type="checkbox"/>	1
Brinkerhoff, Dale	Iron County Commissioner	<input checked="" type="checkbox"/>	2
Brown, Lisa	UCIP Claims Specialist	<input checked="" type="checkbox"/>	1
Brown, Trent	Beaver County Assessor	<input type="checkbox"/>	2
Burdick, Ken	Duchesne County Commissioner	<input checked="" type="checkbox"/>	2
Burnett, Scott	Zions Wealth Advisors	<input checked="" type="checkbox"/>	1
Bush, Bryan	Davis County Personnel Director	<input type="checkbox"/>	1
Carpenter, David	San Juan County Recorder	<input checked="" type="checkbox"/>	2
Chatterly, Keiren	Kane County Deputy Clerk	<input type="checkbox"/>	1
Cox, Bill	Rich County Commissioner	<input checked="" type="checkbox"/>	1
Cox, Dean	Washington County Administrator	<input type="checkbox"/>	2
Dalton, Mike	Beaver County Commissioner	<input checked="" type="checkbox"/>	2
Davis, Mike	Wasatch County Manager	<input type="checkbox"/>	1
Dekker, Robert	Millard County Sheriff	<input checked="" type="checkbox"/>	1
Ebert, James	Weber County Commissioner	<input checked="" type="checkbox"/>	2
Eldridge, Jared	Juab County Attorney	<input checked="" type="checkbox"/>	2
Evans, JoAnn	Duchesne County Clerk/Auditor	<input checked="" type="checkbox"/>	2
Eyre, Dale	Sevier County Attorney	<input checked="" type="checkbox"/>	2
Farrell, Steve	Wasatch County Council Member	<input type="checkbox"/>	1
Frischknecht, Steve	Sanpete County Commissioner	<input checked="" type="checkbox"/>	2
Gardner, Alan	Washington County Commissioner	<input type="checkbox"/>	2



# ANNUAL MEMBERSHIP MEETING

November 12, 2015

Dixie Convention Center, St. George, Utah

NAME	COUNTY/TITLE	ATTENDED?	# OF TICKETS
Gibson, Kerry	Weber County Commissioner	<input checked="" type="checkbox"/>	2
Goode, Danny	Wasatch County Council Member	<input type="checkbox"/>	1
Goodwin, Debbie	UAC Office Manager	<input type="checkbox"/>	1
Green, Blake	Workers Compensation Fund	<input checked="" type="checkbox"/>	1
Hadfield, Jeff	Box Elder County Commissioner	<input checked="" type="checkbox"/>	2
Hancock, Alice	UAC Administrative Assistant	<input type="checkbox"/>	1
Harward, Newell	Wayne County Commissioner	<input type="checkbox"/>	2
Huntington, Mary	Emery County Personnel Director	<input checked="" type="checkbox"/>	1
Iverson, Victor	Washington County Commissioner	<input checked="" type="checkbox"/>	2
Jarrett, Claudia	Sanpete Commissioner	<input checked="" type="checkbox"/>	1
Jensen, Connie	Emery County Recorder	<input checked="" type="checkbox"/>	2
Johnson, Karla	Kane County Clerk	<input checked="" type="checkbox"/>	2
Kaiserman, Jim	Wasatch County Surveyor	<input checked="" type="checkbox"/>	1
Klc, Elizabeth	UBHC Director	<input type="checkbox"/>	1
Koch, Curtis	Davis County Clerk/Auditor	<input checked="" type="checkbox"/>	3
Little, Linda	Kane County Assessor	<input checked="" type="checkbox"/>	1
Lytle, Jack	Daggett County Commissioner	<input checked="" type="checkbox"/>	2
Maddux, Ryan	Kane County Chief Deputy Assessor	<input checked="" type="checkbox"/>	1
Manning, Lisa	Davis County Chief Deputy Assessor	<input type="checkbox"/>	1
McDonald, Brenda	Uintah County Recorder	<input type="checkbox"/>	2
McKee, Joe	Uintah County HR Director	<input type="checkbox"/>	1
McKenzie, Brian	Davis County Election Manager	<input type="checkbox"/>	1
McMullin, Ginger	Beaver County Clerk/Auditor	<input checked="" type="checkbox"/>	1
Millburn, Bret	Davis County Commissioner	<input checked="" type="checkbox"/>	1
Miller, David	Iron County Commissioner	<input checked="" type="checkbox"/>	1
Miller, Johnnie	UCIP Chief Executive Officer	<input checked="" type="checkbox"/>	2
Montgomery, Chad	Box Elder County Recorder	<input type="checkbox"/>	1
Moore, Camille	Garfield County Clerk/Auditor	<input checked="" type="checkbox"/>	1
Olorenshaw, Sue	Daggett County Clerk/Treasurer	<input type="checkbox"/>	2
Oviat, Chad	Zions Wealth Advisors	<input type="checkbox"/>	2
Pallesen, Keri	Daggett County Auditor/Recorder	<input checked="" type="checkbox"/>	2
Palmier, Liz	Wasatch County Recorder	<input type="checkbox"/>	2





**ANNUAL MEMBERSHIP MEETING**

 November 12, 2015  
 Dixie Convention Center, St. George, Utah

NAME	COUNTY/TITLE	ATTENDED?	# OF TICKETS
Pearson, Tammy	Beaver County Commissioner	<input checked="" type="checkbox"/>	1
Perry, Doug	UAC Communications Director	<input type="checkbox"/>	1
Petersen, Mike	Wasatch County Council Member	<input type="checkbox"/>	1
Peterson, Cindy	Beaver County Recorder	<input checked="" type="checkbox"/>	1
Peterson, Dale	Davis County Assessor	<input type="checkbox"/>	1
Petroff Jr., John	Davis County Commissioner	<input checked="" type="checkbox"/>	2
Potter, Kevin	Box Elder County Sheriff	<input type="checkbox"/>	1
Potter, Stephen	Duchesne County Treasurer	<input type="checkbox"/>	1
Renstrom, Zachary	Washington County Commissioner	<input checked="" type="checkbox"/>	2
Roth, Ilene	Sanpete County Auditor	<input checked="" type="checkbox"/>	1
Rowley, Marki	Millard County Clerk	<input type="checkbox"/>	1
Scott, Jeff	Box Elder County Commissioner	<input checked="" type="checkbox"/>	1
Seely, Michael	Juab County Administrator	<input checked="" type="checkbox"/>	1
Siggard, Korby	UCIP Claims Manager	<input checked="" type="checkbox"/>	1
Simper, Barbara	Uintah County Assessor	<input type="checkbox"/>	1
Smith, Jim	Davis County Commissioner	<input checked="" type="checkbox"/>	2
Summers, Stan	Box Elder County Commissioner	<input checked="" type="checkbox"/>	2
Todd, Greg	Duchesne County Commissioner	<input checked="" type="checkbox"/>	1
Topham, Gordon	Sevier County Commissioner	<input checked="" type="checkbox"/>	2
Torgerson, Ryan	Wayne County Clerk/Auditor	<input checked="" type="checkbox"/>	2
Voordeckers, Heidi	Davis County Chief Deputy Auditor	<input type="checkbox"/>	1
Wall, Steve	Sevier County Clerk/Auditor	<input checked="" type="checkbox"/>	1
Weston, Tom	Rich County Commissioner	<input checked="" type="checkbox"/>	2
Wheeler, LeighAnn	Sevier County HR Director	<input type="checkbox"/>	1
White, Sonya	UCIP Chief Financial Officer	<input checked="" type="checkbox"/>	1
Whittaker, Jon	Iron County Clerk	<input type="checkbox"/>	2
Wilde, Logan	Morgan County Council Member	<input checked="" type="checkbox"/>	1
Wilkins, Michael	Uintah County Clerk/Auditor	<input checked="" type="checkbox"/>	1
Winterton, Ron	Duchesne County Commissioner	<input checked="" type="checkbox"/>	1
Withers, James	Millard County Commissioner	<input checked="" type="checkbox"/>	1
Wood, Don	Wasatch County IT Director	<input type="checkbox"/>	1
Yergensen, Melissa	Duchesne County HR Director	<input checked="" type="checkbox"/>	1



[illegible]





UCIP Membership Meeting, November 12, 2015

MEMBER COUNTY	DESIGNATED REPRESENTATIVE	ALTERNATE REPRESENTATIVE
Beaver County	<input checked="" type="checkbox"/> Ginger McMullin	<input type="checkbox"/>
Box Elder County	<input checked="" type="checkbox"/> Jenica Baggs	<input type="checkbox"/> Stephen Hadfield
Daggett County	<input checked="" type="checkbox"/> Keri Pallesen	<input type="checkbox"/> Jack Lytle
Davis County	<input checked="" type="checkbox"/> Bret Millburn	<input type="checkbox"/> Curtis Koch
Duchesne County	<input checked="" type="checkbox"/> Ronald Winterton	<input type="checkbox"/> JoAnn Evans
Emery County	<input checked="" type="checkbox"/> Mary Huntington	<input type="checkbox"/> Mike Olsen
Garfield County	<input checked="" type="checkbox"/> Camille Moore	<input type="checkbox"/> David Tebbs
Iron County	<input checked="" type="checkbox"/> Leslie Bishop	<input type="checkbox"/> Jonathan Whittaker
Juab County	<input type="checkbox"/>	<input type="checkbox"/>
Kane County	<input checked="" type="checkbox"/> Karla Johnson	<input type="checkbox"/> James Matson
Millard County	<input checked="" type="checkbox"/> James Withers	<input type="checkbox"/> Alan Roper
Morgan County	<input checked="" type="checkbox"/> Logan Wilde	<input type="checkbox"/> Daryl Ballantyne
Piute County	<input checked="" type="checkbox"/> William Talbot	<input type="checkbox"/> Kali Gleave
Rich County	<input checked="" type="checkbox"/> William Cox	<input type="checkbox"/> Thomas Weston
San Juan County	<input checked="" type="checkbox"/> Bruce Adams	<input type="checkbox"/> Kelly Pehrson
Sanpete County	<input checked="" type="checkbox"/> Ilene Roth	<input type="checkbox"/> Steve Frischknecht
Sevier County	<input checked="" type="checkbox"/> Steve Wall	<input type="checkbox"/> Garth Ogden
Uintah County	<input checked="" type="checkbox"/> Mike Wilkins	<input type="checkbox"/> Joe McKea
Wasatch County	<input checked="" type="checkbox"/> Jim Kaiserman	<input type="checkbox"/> Scott Sweat
Washington County	<input checked="" type="checkbox"/> Victor Iverson	<input type="checkbox"/> Zachary Renstrom
Wayne County	<input checked="" type="checkbox"/> Ryan Torgerson	<input type="checkbox"/> Newell Harward
Weber County	<input checked="" type="checkbox"/> Kerry Gibson	<input type="checkbox"/> Brad Dee



# Entity: Utah Counties Indemnity Pool

## Body: Board of Trustees

<b>Subject:</b>	Administrative Services	
<b>Notice Title:</b>	Membership Meeting	
<b>Meeting Location:</b>	1676 S Convention Center Dr	
	St. George 84770	
<b>Event Date &amp; Time:</b>	November 12, 2015 4:00 PM - 5:00 PM	
<b>Description/Agenda:</b>	<div>Introduction</div> <div>of Board and Staff</div> <div>Roll Call</div> <div>Approval of Minutes</div> <div>Nominating Committee Report</div> <div>Speeches by Nominees</div> <div>Election</div> <div>Financial Report</div> <div>CEO Report:</div> <div>Budget Performance</div> <div>2015 Highlights</div> <div>2016 Plan</div> <div>President's Report</div> <div>Election Results</div>	
<b>Notice of Special Accommodations:</b>	In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sonya White at the Utah Counties Indemnity Pool, 5397 S Vine Street, Murray, UT 84107 or call 800-339-4070, at least three days prior to the meeting.	
<b>Notice of Electronic or telephone participation:</b>	Any Member of the Utah Counties Indemnity Pool Board of Trustees may participate telephonically.	
<b>Other information:</b>		
<b>Contact Information:</b>	Sonya White 801-565-8500 sonya@ucip.utah.gov	

**Posted on:** November 06, 2015 04:14 PM

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**Last edited on:** November 06, 2015 04:14 PM

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DATE	INVOICE NUMBER	MEMO	BALANCE
10/05/2015		Diamond Sponsor	2,000.00
<div data-bbox="406 315 714 504"> <p>RECEIVED OCT 13 2015 BY: _____</p> </div>			
CHECK DATE 10/08/2015	CHECK NUMBER 000065989		
TOTAL			2,000.00

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**DURHAM JONES & PINEGAR, P.C.**

OPERATING ACCOUNT  
111 EAST BROADWAY, SUITE 900  
SALT LAKE CITY, UT 84111  
(801) 415-3000

KEYBANK NATIONAL ASSOCIATION  
SALT LAKE CITY, UT 84115

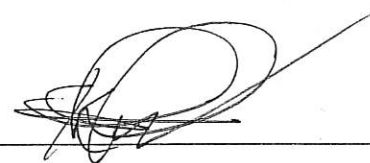
31-73/1240

PAY: *Two Thousand and 00/100 Dollars*

NUMBER	DATE	AMOUNT
000065989	10/08/2015	*****2,000.00

TO THE  
ORDER  
OF

**Utah Counties Indemnity Pool**  
5397 S. Vine  
Murray, UT 84107-6757



THIS DOCUMENT CONTAINS HEAT SENSITIVE INK. TOUCH OR PRESS HERE - RED IMAGE DISAPPEARS WITH HEAT

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Details on back



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# UTAH COUNTIES

INDEMNITY POOL

September 21, 2015

Lisa Dennison  
By the Numbers Actuarial Consulting  
5213 Country Club Drive, Suite 100  
Brentwood, TN 37027

RE: Annual Membership Dinner Meeting Sponsorship

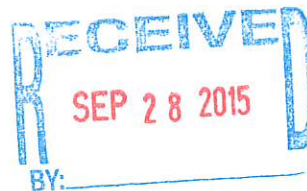
Dear Lisa:

The Utah Counties Indemnity Pool Annual Membership Dinner will be held on Thursday, November 12, 2015 at the Rib & Chop House in St. George.

UCIP has limited sponsorship requests for our training events to once a year. Thus, we are looking to our partners to provide a general sponsorship for Pool members at this time. The Annual Meeting is a great opportunity for you to show your support to the county elected officials and employees of Utah.

Please choose your support from the following sponsor level and email this form back to UCIP at: [sonya@ucip.utah.gov](mailto:sonya@ucip.utah.gov). With your sponsorship, please join us at 5:30 p.m. on November 12 at the Rib & Chop House.

- ☐ Diamond Sponsor: \$2,000
- ☐ Gold Sponsor: \$1,500
- ☐ Silver Sponsor: \$1,000
- ☒ Bronze Sponsor: \$750



Your efforts, friendship and support are greatly appreciated.

Sincerely,

Johnnie Miller  
Chief Executive Officer

By the Numbers 02-10  
Actuarial Consulting, Inc.  
5213 Country Club Drive, Suite 100  
Brentwood, TN 37027  
615 369-0753  
615 369-0754 fax

First Tennessee Bank  
202 Franklin Road  
Brentwood, TN 37027  
87-139/641

433

9/23/2015

PAY TO THE  
ORDER OF

Utah Counties Indemnity Pool

\$ \*\*750.00

Seven Hundred Fifty and 00/100\*\*\*\*\*

DOLLARS

Utah Counties Indemnity Pool

MEMO

*Alba Dennis*

AUTHORIZED SIGNATURE

⑈000433⑈ ⑆064101398⑆ 179296069⑈

♻ Recycled paper utilizes 30% post-consumer content

By the Numbers / Actuarial Consulting, Inc.

433

Utah Counties Indemnity Pool  
Advertising

9/23/2015

750.00

BY: \_\_\_\_\_

First Tennessee Chec

750.00



September 21, 2015

Jesse Trentadue  
Switter Axland  
PO Box 510506  
Salt Lake City, UT 84131-0506

RE: Annual Membership Dinner Meeting Sponsorship

Dear Jesse:

The Utah Counties Indemnity Pool Annual Membership Dinner will be held on Thursday, November 12, 2015 at the Rib & Chop House in St. George.

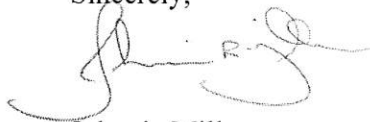
UCIP has limited sponsorship requests for our training events to once a year. Thus, we are looking to our partners to provide a general sponsorship for Pool members at this time. The Annual Meeting is a great opportunity for you to show your support to the county elected officials and employees of Utah.

Please choose your support from the following sponsor level and email this form back to UCIP at: [sonya@ucip.utah.gov](mailto:sonya@ucip.utah.gov). With your sponsorship, please join us at 5:30 p.m. on November 12 at the Rib & Chop House.

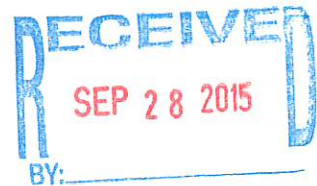
- ☒ Diamond Sponsor: \$2,000  
☐ Gold Sponsor: \$1,500  
☐ Silver Sponsor: \$1,000  
☐ Bronze Sponsor: \$750

Your efforts, friendship and support are greatly appreciated.

Sincerely,



Johnnie Miller  
Chief Executive Officer



SUITTER AXLAND, PLLC 04/05  
8 E. Broadway, Suite 200  
Salt Lake City, UT 84111  
(801) 532-7300

WELLS FARGO BANK, NA  
31-297/1240

10800

September 23, 2015

PAY TO THE ORDER OF Utah Counties Indemnity Pool

\$ 2,000.00

Two Thousand and No/100 Dollars-----

DOLLARS

PROTECTED AGAINST FRAUD



Utah Counties Indemnity Pool  
5397 S Vine  
Murray, UT 84107-6757



MEMO

*[Signature]*

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SUITTER AXLAND, PLLC

10800

1105-600

Annual Membership Dinn

Annual Membership Dinner Sponso

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SEP 28 2015  
BY: \_\_\_\_\_



Arthur J. Gallagher & Co.  
Gallagher Bassett Services, Inc.  
Gallagher Benefit Services, Inc.  
Two Pierce Place  
Itasca IL 60143-3141



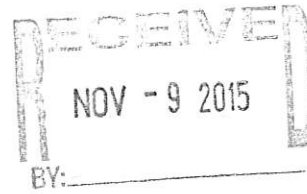
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UCIP

5397 S Vine

Murray, UT 84107-6757



Page 1 of 1

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102615UCIP	10/26/2015		750.00		750.00
CHECK NUMBER	DATE	VENDOR NO.	NAME	TOTAL AMOUNT	
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Gallagher Benefit Services, Inc.  
Two Pierce Place  
Itasca IL 60143-3141

PAY: SEVEN HUNDRED FIFTY AND 00/100 DOLLARS

TO THE ORDER OF UCIP  
5397 S Vine  
Murray UT 84107-6757

Bank of America

CHECK NO.  
0000925813

64-1278/611 GA

DATE OF CHECK  
11/04/2015

CHECK AMOUNT  
\$750.00



*[Signature]*  
Authorized Signature

DO NOT CASH IF THE WORD VOID IS VISIBLE - SEE REVERSE SIDE FOR LIST OF SECURITY FEATURES

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# INVOICE

DATE

10/26/2015

**BILL TO**

Mountain View Software  
350 N 400 W, Ste. 100  
Kaysville, UT 84037

DUE DATE

10/30/2015

**DESCRIPTION**

**AMOUNT**

Annual Meeting of the Members Sponsorship  
November 12, 2015, Dixie Convention Center

750.00

WE APPRECIATE YOUR SUPPORT!

**Total**

\$750.00

Remit To: UCIP, 5397 S Vine, Murray, UT 84107-6757

Contact Us: 801-307-2113, 435-608-4531 (fax), [ucip.utah.gov](http://ucip.utah.gov)



**Whitney Advertising & Design, Inc.**

6410 Business Park Loop Rd. Suite H  
 Park City, UT 84098  
 435-647-2918  
 accounting@whitneyonline.com

WELLS FARGO BANK, NA  
 31-297/1240

1792

11/04/2015

PAY TO THE  
 ORDER OF

Utah Counties Indemnity Pool

\$ \*\*250.00

Two hundred fifty and 00/100\*\*\*\*\*

DOLLARS

Sonya White  
 Utah Counties Indemnity Pool  
 P. O. Box 95730  
 S. Jordan, UT 84095

MEMO

Conference Sponsorship



MP

⑈001792⑈ ⑆124002971⑆ 9848572120⑈

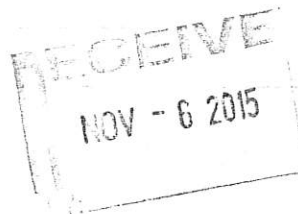
Whitney Advertising & Design, Inc.  
 11/04/2015

Utah Counties Indemnity Pool

1792

Conference Sponsorship

250.00



Wells Fargo

Conference Sponsorship

250.00

# INVOICE

DATE

11/9/2015

**BILL TO**

Whitney Advertising & Design, Inc.  
6410 N. Business Park Loop Road, Suite H  
Park City, UT 84098

DUE DATE

11/9/2015

**DESCRIPTION**

**AMOUNT**

**SPONSORSHIP**

250.00

Annual Membership Meeting, November 12, 2015, St. George, UT

THANK YOU FOR YOUR SUPPORT

**Total**

\$250.00

Remit To: UCIP, 5397 S Vine, Murray, UT 84107-6757

Contact Us: 801-307-2113, 435-608-4531 (fax), [ucip.utah.gov](http://ucip.utah.gov)



**DUNN & DUNN, PC**

2455 PARLEYS WAY, STE., 340  
SALT LAKE CITY, UTAH 84109

BANK OF THE WEST  
1-800-488-2265  
31-273/1240

21623

11/11/2015

PAY TO THE  
ORDER OF

U.C.I.P.

\$ 2000.00

Two Thousand Dollars and 00/100's

DOLLARS

Sponsorship Donation

*Subroto S. Dunn*

⑈0021623⑈ ⑆124002735⑆ 762000230⑈



BILL TO

Dunn & Dunn, P.C.  
2455 Parleys Way, Ste 340  
Salt Lake City, UT 84109

Contact Us: 801-307-2113, 435-608-4531 (fax), [ucip.utah.gov](http://ucip.utah.gov)

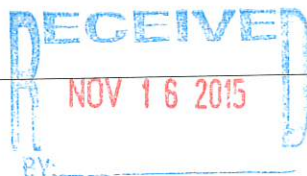


ATTORNEYS AT LAW

*A Professional Corporation*

2455 E. PARLEY'S WAY  
SUITE 340  
SALT LAKE CITY, UTAH 84109  
(801) 521-6677 PHONE  
(801) 521-9998 FACSIMILE

TIM DALTON DUNN  
1945-2014



TRIAL LAWYERS

SUSAN BLACK DUNN  
KATHLEEN M. LIUZZI  
W. LEWIS BLACK

OF COUNSEL  
BLACK & BLACK LAW  
JAMES R. BLACK  
MATTHEW J. BLACK

November 11, 2015

RE: Sponsorship to Annual Membership Meeting

Dear Friends at UCIP;

Please accept Dunn & Dunn, P.C.'s Sponsorship donation of \$2,000.00 for the Annual Membership Meeting. We are pleased to support Utah Counties Insurance Pool and hope that the meeting is absolutely enjoyable.

All of the employees at Dunn & Dunn appreciate the support we have received from our clients over the past year and are especially thankful for the support we have received from our friends at UCIP.

We are here to help and look forward to working with all of you!

Sincerely,

DUNN & DUNN, P.C.

Susan Black Dunn  
Attorney, President and Senior Partner  
[sblack@dunndunn.com](mailto:sblack@dunndunn.com)



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